

SENATE BILL NO. 97

INTRODUCED BY D. WANZENRIED

BY REQUEST OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING LAWS GOVERNING THE PETROLEUM TANK RELEASE CLEANUP FUND; REVISING REIMBURSEMENT AND ELIGIBILITY PROVISIONS; REVISING THE CONDITIONS FOR IMPOSING A CLEANUP FEE ON GASOLINE, FUEL, AND HEATING OIL DISTRIBUTED IN MONTANA; GRANTING RULEMAKING AUTHORITY; AMENDING SECTIONS 75-11-302, 75-11-307, ~~75-11-308~~, 75-11-309, AND 75-11-314, MCA; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 75-11-302, MCA, is amended to read:

"75-11-302. Definitions. Except as provided in subsections (2), ~~(15)~~ (14), and (25), the following definitions apply to this part:

(1) "Accidental release" means a sudden or nonsudden release, neither expected nor intended by the tank owner or operator, of petroleum or petroleum products from a storage tank that results in a need for corrective action or compensation for third-party bodily injury or property damage.

(2) "Aviation gasoline" means aviation fuel as defined in 15-70-201. For the purposes of this chapter, aviation gasoline does not include JP-4 jet fuel sold to a federal defense fuel supply center.

(3) "Board" means the petroleum tank release compensation board established in 2-15-2108.

(4) "Bodily injury" means physical injury, sickness, or disease sustained by an individual, including death that results from the physical injury, sickness, or disease at any time.

(5) "Claim" means a written request prepared and submitted by an owner or operator or an agent of the owner or operator for reimbursement of expenses caused by an accidental release from a petroleum storage tank.

(6) "Corrective action" means investigation, monitoring, cleanup, restoration, abatement, removal, and other actions necessary to respond to a release.

(7) "Department" means the department of environmental quality provided for in 2-15-3501.

(8) "Distributor" means a person who is licensed to sell gasoline, as provided in 15-70-202, and who:

1 (a) in the state of Montana, engages in the business of producing, refining, manufacturing, or
2 compounding gasoline, aviation gasoline, special fuel, or heating oil for sale, use, or distribution;

3 (b) imports gasoline, aviation gasoline, special fuel, or heating oil for sale, use, or distribution in this state;

4 (c) engages in wholesale distribution of gasoline, aviation gasoline, special fuel, or heating oil in this
5 state;

6 (d) is an exporter;

7 (e) is a dealer licensed as of January 1, 1969, except a dealer at an established airport; or

8 (f) either blends gasoline with ethanol or blends heating oil with waste oil.

9 ~~(9) "Double-walled tank system" means a petroleum storage tank and associated product piping that is~~
10 ~~designed and constructed with rigid inner and outer walls separated by an interstitial space and that is capable~~
11 ~~of being monitored for leakage. The design and construction of these tank systems must meet standards of the~~
12 ~~department and the department of justice fire prevention and investigation bureau. The material used in~~
13 ~~construction must be compatible with the liquid to be stored in the system, and the system must be designed to~~
14 ~~prevent the release of any stored liquid.~~

15 ~~(10)~~(9) "Eligible costs" means expenses reimbursable under 75-11-307.

16 ~~(11)~~(10) "Export" means to transport out of the state of Montana, by means other than in the fuel supply
17 tank of a motor vehicle, gasoline, aviation gasoline, special fuel, or heating oil received from a refinery or pipeline
18 terminal within the state of Montana.

19 ~~(12)~~(11) "Exporter" means a person who transports, by means other than in the fuel supply tank of a
20 motor vehicle, gasoline, aviation gasoline, special fuel, or heating oil received from a refinery or pipeline terminal
21 within the state of Montana to a destination outside the state of Montana for sale, use, or consumption beyond
22 the boundaries of the state of Montana.

23 ~~(13)~~(12) "Fee" means the petroleum storage tank cleanup fee provided for in 75-11-314.

24 ~~(14)~~(13) "Fund" means the petroleum tank release cleanup fund established in 75-11-313.

25 ~~(15)~~(14) "Gasoline" means gasoline as defined in 15-70-201. For the purposes of this chapter, gasoline
26 does not include JP-4 jet fuel sold to a federal defense fuel supply center.

27 ~~(16)~~(15) "Heating oil" means petroleum that is No. 1, No. 2, No. 4-light, No. 4-heavy, No. 5-light, No.
28 5-heavy, and No. 6 technical grades of fuel oil; other residual fuel oils, including navy special fuel oil and bunker
29 C; and other fuels when used as substitutes for one of these fuel oils. Heating oil is typically used in the operation
30 of heating equipment, boilers, or furnaces.

1 ~~(17)~~(16) "Import" means to receive into a person's possession or custody first after its arrival and coming
2 to rest at a destination within the state any gasoline, aviation gasoline, special fuel, or heating oil shipped or
3 transported into this state from a point of origin outside this state, other than in the fuel supply tank of a motor
4 vehicle.

5 ~~(18)~~(17) "Operator" means a person in control of or having responsibility for the daily operation of a
6 petroleum storage tank.

7 ~~(19)~~(18) (a) "Owner" means:

8 (i) a person that holds title to, controls, or possesses an interest in a petroleum storage tank; or

9 (ii) a person that owns the property on which a petroleum storage tank from which a release occurred
10 was located.

11 (b) The term does not include a person that holds an interest in a storage tank solely for financial
12 security, unless through foreclosure or other related actions the holder of a security interest has taken possession
13 of the tank.

14 ~~(20)~~(19) "Person" means an individual, firm, trust, estate, partnership, company, association, joint-stock
15 company, syndicate, consortium, commercial entity, corporation, or agency of state or local government.

16 ~~(21)~~(20) "Petroleum" or "petroleum products" means crude oil or any fraction of crude oil that is liquid at
17 standard conditions of temperature and pressure (60 degrees F and 14.7 pounds per square inch absolute) or
18 motor fuel blend, such as ethanol-blended gasoline, and that is not augmented or compounded by more than a
19 de minimis amount of another substance.

20 ~~(22)~~(21) "Petroleum storage tank" means a tank that contains or contained petroleum or petroleum
21 products and that is:

22 (a) an underground storage tank as defined in 75-11-503;

23 (b) a storage tank that is situated in an underground area, such as a basement, cellar, mine, drift, shaft,
24 or tunnel;

25 (c) an aboveground storage tank with a capacity less than 30,000 gallons; or

26 (d) aboveground or underground pipes associated with tanks under subsections ~~(22)(b)~~ (21)(b) and
27 ~~(22)(c)~~ (21)(c), except that pipelines regulated under the following laws are excluded:

28 (i) the Natural Gas Pipeline Safety Act of 1968, 49 U.S.C. 1671, et seq.;

29 (ii) the Hazardous Liquid Pipeline Safety Act of 1979, 49 U.S.C. 2001, et seq.; and

30 (iii) state law comparable to the provisions of law referred to in subsections ~~(22)(d)(i)~~ (21)(d)(i) and

~~(22)(d)(iii)~~ (21)(d)(ii), if the facility is intrastate.

(22) "Properly designed and installed double-walled tank system" means a petroleum storage tank and associated product piping that is designed and constructed with rigid inner and outer walls separated by an interstitial space and that is capable of being monitored for leakage. The design and construction of these tank systems must meet any applicable standards of the department and the department of justice fire prevention and investigation bureau. The material used in construction must be compatible with the liquid to be stored in the system, and the system must be designed to prevent the release of any stored liquid.

(23) "Property damage" means:

(a) physical injury to tangible property, including loss of use of that property caused by the injury; or

(b) loss of use of tangible property that is not physically injured.

(24) "Release" means any spilling, leaking, emitting, discharging, escaping, leaching, or disposing of petroleum or petroleum products from a petroleum storage tank into ground water, surface water, surface soils, or subsurface soils.

(25) "Special fuel" means those combustible liquids commonly referred to as diesel fuel or another volatile liquid of less than 46 degrees A.P.I. (American petroleum institute) gravity test, except liquid petroleum gas. For the purposes of this chapter, special fuel does not include diesel fuel sold to a railroad or a federal defense fuel supply center."

Section 2. Section 75-11-307, MCA, is amended to read:

"75-11-307. Reimbursement for expenses caused by release. (1) Subject to the availability of money from the fund under subsection ~~(5)~~ (7), an owner or operator who is eligible under 75-11-308 and who complies with 75-11-309 and any rules adopted to implement those sections must be reimbursed by the board from the fund for the following eligible costs caused by a release from a petroleum storage tank:

(a) corrective action costs as required by a department-approved corrective action plan, except if the corrective action plan addresses releases of substances other than petroleum products from an eligible petroleum storage tank, the board may reimburse only the costs that would have reasonably been incurred if the only release at the site was the release of the petroleum or petroleum products from the eligible petroleum storage tank; and

(b) compensation paid to third parties for bodily injury or property damage. The board may not reimburse for property damage until the corrective action is completed.

(2) An owner or operator may not be reimbursed from the fund for the following expenses:

(a) corrective action costs or the costs of bodily injury or property damage paid to third parties that are determined by the board to be ineligible for reimbursement;

(b) costs for bodily injury and property damage, other than corrective action costs, incurred by the owner or operator;

(c) penalties or payments for damages incurred under actions by the department, board, or federal, state, local, or tribal agencies or other government entities involving judicial or administrative enforcement activities and related negotiations;

(d) attorney fees and legal costs of the owner, the operator, or a third party;

(e) costs for the repair or replacement of a tank or piping or costs of other materials, equipment, or labor related to the operation, repair, or replacement of a tank or piping;

(f) expenses incurred before April 13, 1989, for owners or operators seeking reimbursement from the petroleum tank release cleanup fund and expenses incurred before May 15, 1991, for owners or operators seeking reimbursement from the petroleum tank release cleanup fund for a tank storing heating oil for consumptive use on the premises where it is stored or for a farm or residential tank with a capacity of 1,100 gallons or less that is used for storing motor fuel for noncommercial purposes;

(g) expenses exceeding the maximum reimbursements provided for in subsection (4); ~~and~~

~~(h) costs for which the board determines an owner or operator has received or will receive reimbursement or payment from an insurer OR OTHER THIRD PARTY; and~~

~~(h)(i)~~ (i) expenses for work completed by or on behalf of the owner or operator more than 5 years prior to the owner's or operator's request for reimbursement. This limitation does not apply to claims for compensation paid to third parties for bodily injury or property damage. The running of the 5-year limitation period is suspended by an appeal of the board's denial of eligibility for reimbursement. If a written request for hearing is filed under 75-11-309, the suspension of the 5-year limitation period is effective from the date of the board's initial eligibility denial to the date on which the initial eligibility denial is overturned or reversed by the board, a district court, or the state supreme court, whichever occurs latest. The board may grant reasonable extensions of this limitation period if it is shown that the need for the extension is not due to the negligence of the owner or operator or agent of the owner or operator.

(3) An owner or operator may designate a person as an agent to receive the reimbursement if the owner or operator remains legally responsible for all costs and liabilities incurred as a result of the release.

(4) Subject to the availability of funds under subsection ~~(5)~~ (7):

(a) for releases eligible for reimbursement from the ~~petroleum tank release cleanup~~ fund that are discovered and reported on or after April 13, 1989, from a tank storing heating oil for consumptive use on the premises where it is stored or from a farm or residential tank with a capacity of 1,100 gallons or less that is used for storing motor fuel for noncommercial purposes, the board shall reimburse an owner or operator for:

~~(i) 50% of the first \$10,000 of eligible costs and 100% of subsequent eligible costs, up to a maximum total reimbursement of \$495,000;~~

~~—— (A) for single-walled tank system releases; and~~

~~—— (B) for double-walled tank system releases for which the release date was prior to October 1, 1993; or~~

~~(ii)(i) 100% of the eligible costs, up to a maximum total reimbursement of \$500,000, for properly designed and installed double-walled tank system ~~accidental~~ releases that were discovered and reported on or after October 1, 1993, and before October 1, 2009; or~~

~~(ii) 50% of the first \$10,000 of eligible costs and 100% of subsequent eligible costs, up to a maximum total reimbursement of \$495,000 for all other releases; and~~

(b) for all other releases eligible for reimbursement from the ~~petroleum tank release cleanup~~ fund that are discovered and reported on or after April 13, 1989, the board shall reimburse an owner or operator for:

~~(i) 50% of the first \$35,000 of eligible costs and 100% of subsequent eligible costs, up to a maximum total reimbursement of \$982,500;~~

~~—— (A) for single-walled tank system releases; and~~

~~—— (B) for double-walled tank system releases for which the release date was prior to October 1, 1993; or~~

~~(ii)(i) 100% of the eligible costs, up to a maximum total reimbursement of \$1 million, for properly designed and installed double-walled tank system ~~accidental~~ releases that were discovered and reported on or after October 1, 1993, and before October 1, 2009; or~~

~~(ii) 50% of the first \$35,000 of eligible costs and 100% of subsequent eligible costs, up to a maximum total reimbursement of \$982,500 for all other releases.~~

(5) If an insurer pays or reimburses an owner or operator for costs that qualify as eligible costs under subsection (1), the costs paid or reimbursed by the insurer:

(a) are considered to have been paid by the owner or operator toward satisfaction of the 50% share requirements of subsection (4)(a)(ii) or (4)(b)(ii) if the owner or operator receives the payment or reimbursement before applying for reimbursement from the board;

1 (b) are not reimbursable from the fund; and

2 (c) except for the amount considered to have been paid by the owner or operator pursuant to subsection
3 (5)(a), are considered to have been reimbursed from the fund for purposes of determining when the board has
4 paid the maximum amount payable from the fund under subsection (4)(a)(ii) or (4)(b)(ii).

5 ~~—— (6) The board may, in a subrogation action against an insurer, recover any reimbursement payment~~
6 ~~made by the board for which the owner or operator could have received payment or reimbursement from the~~
7 ~~insurer.~~

8 ~~(5)(7)(6)~~ If the fund does not contain sufficient money to pay approved claims for eligible costs, a
9 reimbursement may not be made and the fund and the board are not liable for making any reimbursement for the
10 costs at that time. When the fund contains sufficient money, eligible costs must be reimbursed subsequently in
11 the order in which they were approved by the board."

12
13 ~~—— **Section 3.** Section 75-11-308, MCA, is amended to read:~~

14 ~~—— **"75-11-308. Eligibility.** (1) An owner or operator is eligible for reimbursement for the applicable~~
15 ~~percentage as provided in 75-11-307(4)(a) and (4)(b) of eligible costs caused by a release from a petroleum~~
16 ~~storage tank only if:~~

17 ~~—— (a) the release was discovered on or after April 13, 1989;~~

18 ~~—— (b) the release occurred from:~~

19 ~~—— (i) an underground storage tank, as defined in 75-11-503, that was in compliance with 75-11-509 at the~~
20 ~~time that the release was discovered;~~

21 ~~—— (ii) a petroleum storage tank, as defined in 75-11-302, that was in compliance with the applicable state~~
22 ~~and federal laws and rules that the board determines pertain to the prevention and mitigation of a petroleum~~
23 ~~release from a petroleum storage tank at the time that the release was discovered; or~~

24 ~~—— (iii) an underground storage tank, as defined in 75-11-503, that the board determines was unknown to~~
25 ~~both the property owner and the department prior to its discovery if the owner applies to the department for a~~
26 ~~closure permit in accordance with 75-11-212 within 30 days of the date upon which the owner first had knowledge~~
27 ~~of the tank and closes the tank in accordance with the requirements of the permit before the permit expires; and~~

28 ~~—— (c) the release was an accidental release; and~~

29 ~~—— (d) the owner or operator submits an application for eligibility in the form and manner required by the~~
30 ~~board before January 1, 2010, or within 1 year of the date the release is discovered, whichever occurs later.~~

~~———— (2) An owner or operator is not eligible for reimbursement from the petroleum tank release cleanup fund for expenses caused by releases from the following petroleum storage tanks:~~

~~———— (a) a tank located at a refinery or a terminal of a refiner;~~

~~———— (b) a tank located at an oil and gas production facility;~~

~~———— (c) a tank that is or was previously under the ownership or control of a railroad, except for a tank that was operated by a lessee of a railroad in the course of nonrailroad operations;~~

~~———— (d) a tank belonging to the federal government;~~

~~———— (e) a tank owned or operated by a person who has been convicted of a substantial violation of state or federal law or rule that relates to the installation, operation, or management of petroleum storage tanks; or~~

~~———— (f) a mobile storage tank used to transport petroleum or petroleum products from one location to another.~~

~~———— (3) An owner or operator is not eligible for reimbursement from the fund for costs caused by a release if the owner or operator has insurance that will pay or reimburse the owner or operator for eligible costs unless the owner or operator submits a claim to the insurer for payment or reimbursement within the claim period specified in the insurance contract."~~

Section 3. Section 75-11-309, MCA, is amended to read:

"75-11-309. Procedures for reimbursement of eligible costs. (1) An owner or operator seeking reimbursement for eligible costs and the department shall comply with the following procedures:

(a) If an owner or operator discovers or is provided evidence that a release may have occurred from the owner's or operator's petroleum storage tank, the owner or operator shall immediately notify the department of the release and conduct an initial response to the release in accordance with state and federal laws and rules to protect the public health and safety and the environment.

(b) Except for a tank for which a permit is sought under 75-11-308(1)(b)(iii) and that is closed within 120 days of discovery of the release, following discovery of the release, the petroleum storage tank must remain in compliance with applicable state and federal laws and rules that the board determines pertain to prevention and mitigation of petroleum releases.

(c) The owner or operator shall conduct a thorough investigation of the release, report the findings to the department, and, as determined necessary by the department, prepare and submit for approval by the department a corrective action plan that conforms with state, tribal (when applicable), and federal corrective action requirements.

(d) (i) The department shall review the corrective action plan and forward a copy to a local government office and, when applicable, a tribal government office with jurisdiction over a corrective action for the release. The local or tribal government office shall inform the department if it wants any modification of the proposed plan.

(ii) Based on its own review and comments received from a local government, tribal government, or other source, the department may approve the proposed corrective action plan, make or request the owner or operator to modify the proposed plan, or prepare its own plan for compliance by the owner or operator. A plan finally approved by the department through any process provided in this subsection (1)(d) is the approved corrective action plan.

(iii) After the department approves a corrective action plan, a local government or tribal government may not impose different corrective action requirements on the owner or operator.

(e) The department shall notify the owner or operator of its approval of a corrective action plan and shall promptly submit a copy of the approved corrective action plan to the board.

(f) The owner or operator shall implement the corrective action plan or plans approved by the department until the release is resolved. The department may oversee the implementation of the plan, require reports and monitoring from the owner or operator, undertake inspections, and otherwise exercise its authority concerning corrective action under Title 75, chapter 10, part 7, Title 75, chapter 11, part 5, and other applicable law and rules.

(g) (i) The owner or operator shall document in the manner required by the board all expenses incurred in preparing and implementing the corrective action plan. The owner or operator shall submit claims and substantiating documents to the board in the form and manner required by the board.

(ii) The board shall review each claim and determine if the claims are actual, reasonable, and necessary costs of responding to the release and implementing the corrective action plan.

(iii) If the board requires additional information to determine if a claimed cost is actual, reasonable, and necessary, the board may request comment from the department and the owner or operator.

(iv) If the department determines that an owner or operator is failing to properly implement a corrective action plan, it shall notify the board.

(h) The owner or operator shall document, in the manner required by the board, any payments to a third party for bodily injury or property damage caused by a release. The owner or operator shall submit claims and substantiating documents to the board in the form and manner required by the board.

(i) In addition to the documentation in subsections (1)(g) and (1)(h), when the release is claimed to have originated from a properly designed and installed double-walled tank system, the owner or operator shall

document, in the manner required by the board, the following:

(i) the date that the release was discovered; and

(ii) that the originating tank was part of a properly designed and installed double-walled tank system ~~as defined in 75-11-302; and~~

~~—— (iii) that the double-walled tank system was properly installed and made of materials and constructed in accordance with applicable department regulations.~~

(2) If an owner or operator is issued an administrative order for failure to comply with requirements imposed by or pursuant to Title 75, chapter 11, part 5, or rules adopted pursuant to Title 75, chapter 11, part 5, all reimbursement of claims submitted after the date of the order must be suspended. Upon a written determination by the department that the owner or operator has returned to compliance with the requirements of Title 75, chapter 11, part 5, or rules adopted pursuant to Title 75, chapter 11, part 5, suspended and future claims may be reimbursed according to criteria established by the board. In establishing the criteria, the board shall consider the effect and duration of the noncompliance.

(3) The board shall review each claim received under subsections (1)(g) and (1)(h), make the determination required by this subsection, inform the owner or operator of its determination, and, as appropriate, reimburse the owner or operator from the fund. Before approving a reimbursement, the board shall affirmatively determine that:

(a) the expenses for which reimbursement is claimed:

(i) are eligible costs; and

(ii) were actually, necessarily, and reasonably incurred for the preparation or implementation of a corrective action plan approved by the department or for payments to a third party for bodily injury or property damage; and

(b) the owner or operator:

(i) is eligible for reimbursement under 75-11-308; and

(ii) has complied with this section and any rules adopted pursuant to this section. Upon a determination by the board that the owner or operator has not complied with this section or rules adopted pursuant to this section, all reimbursement of pending and future claims must be suspended. Upon a determination by the board that the owner or operator has returned to compliance with this section or rules adopted pursuant to this section, suspended and future claims may be reimbursed according to criteria established by the board. In establishing the criteria, the board shall consider the effect and duration of the noncompliance.

1 (4) (a) If an owner or operator disagrees with a board determination under subsection (3), the owner or
2 operator may submit a written request for a hearing before the board.

3 (b) A written request for a hearing must be received by the board within ~~30~~ 120 days after notice of the
4 BOARD'S determination is served on the owner or operator by certified mail. THE NOTICE OF DETERMINATION MUST
5 ADVISE THE OWNER OR OPERATOR OF THE 120-DAY TIME LIMIT FOR SUBMITTING A WRITTEN REQUEST FOR A HEARING TO
6 THE BOARD. NOT LESS THAN 50 DAYS OR MORE THAN 60 DAYS AFTER THE BOARD SERVES THE NOTICE OF
7 DETERMINATION, THE BOARD SHALL SERVE ON THE OWNER OR OPERATOR A SECOND NOTICE BY CERTIFIED MAIL ADVISING
8 THE OWNER OR OPERATOR OF THE DEADLINE FOR REQUESTING A HEARING. Service by certified mail is complete on
9 the date shown on the certified mail receipt.

10 (c) If a written request is received within ~~30~~ 120 days, the ~~The~~ hearing must be held at a meeting of the
11 board or as otherwise permitted under the Montana Administrative Procedure Act no later than 120 days following
12 receipt of the request or at a time mutually agreed to by the board and the owner or operator.

13 (d) If a written request is not received within ~~30~~ 120 days, the determination of the board is final.

14 (5) The board shall obligate money for reimbursement of eligible costs of owners and operators in the
15 order that the costs are finally approved by the board.

16 (6) (a) The board may, at the request of an owner or operator, guarantee in writing the reimbursement
17 of eligible costs that have been approved by the board but for which money is not currently available from the fund
18 for reimbursement.

19 (b) The board may, at the request of an owner or operator, guarantee in writing reimbursement of eligible
20 costs not yet approved by the board, including estimated costs not yet incurred. A guarantee for payment under
21 this subsection (6)(b) does not affect the order in which money in the fund is obligated under subsection (5).

22 (c) When considering a request for a guarantee of payment, the board may require pertinent information
23 or documentation from the owner or operator. The board may grant or deny, in whole or in part, any request for
24 a guarantee."
25

26 **Section 4.** Section 75-11-314, MCA, is amended to read:

27 **"75-11-314. Petroleum storage tank cleanup fee -- collection -- penalties -- warrant for distraint**
28 **-- statute of limitations.** (1) Except as provided in subsection (4), each distributor shall pay to the department
29 of transportation a petroleum storage tank cleanup fee for each gallon of gasoline, aviation gasoline, special fuel,
30 or heating oil distributed by the distributor within the state and upon which the fee has not been paid by any other

distributor. The fee must equal:

~~(a) 1 cent for each gallon of gasoline distributed from July 1, 1989, through June 30, 1991;~~

~~(b)(a) 0.75 cent for each gallon of gasoline distributed after July 1, 1991;~~

~~(c)(b) 0.75 cent for each gallon of aviation gasoline distributed after July 1, 1993;~~

~~(d)(c) 0.75 cent for each gallon of special fuel distributed after July 1, 1993; and~~

~~(e)(d) 0.75 cent for each gallon of heating oil distributed after July 1, 1993.~~

(2) Gasoline, aviation gasoline, special fuel, and heating oil exported or sold for export out of the state must be included in the measure of a distributor's fee.

(3) Ethanol that is blended with gasoline to be sold as ethanol-blended gasoline is subject to the fee provided in subsection (1).

(4) A fee may not be imposed or collected beginning on the first day of the first month in the first calendar quarter after the unobligated balance in the fund equals or exceeds ~~\$8~~ \$10 million. Whenever the unobligated fund balance, less claims anticipated for board approval within the next 90 days, is less than ~~\$4~~ \$6 million, the department of transportation shall, within 30 days, notify distributors by mail that the fee is reinstated beginning on the first day of the first month that begins no less than 30 days after the date of the notice. Once reinstated, the fee must be imposed and collected until the unobligated fund balance again equals or exceeds ~~\$8~~ \$10 million.

(5) The department of transportation shall collect the fee in the same manner as the basic gasoline license tax under Title 15, chapter 70, part 2. The provisions of 15-70-103, 15-70-111, 15-70-202, 15-70-205, 15-70-206, 15-70-208 through 15-70-212, 15-70-221(2), and 15-70-232 apply to the fee. The provisions of 15-70-204, 15-70-207, 15-70-221(1), and 15-70-222 through 15-70-224 do not apply to the fee."

NEW SECTION. **Section 5. Applicability.** ~~(4)~~ [Section 2(5)(a) and (5)(c)] apply to requests for reimbursement submitted to the petroleum tank release cleanup fund after [the effective date of this act].

~~———— (2) [Section 3(3)] applies to applications for eligibility submitted to the petroleum tank release cleanup fund after [the effective date of this act].~~

- END -